

Amendment No. 1 to SB1841

Cohen
Signature of Sponsor

AMEND Senate Bill No. 1841

House Bill No. 1*

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting all language following the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 2, Chapter 10, Part 1, is amended by adding the following new sections:

Section 2-10-122.

As used in this act, unless the context otherwise requires:

(1) The term "consulting services" with respect to an official in the legislative branch, an official in the executive branch, or the immediate family of either type of official, means services to advise or assist a person or entity in influencing legislative or administrative action as such term is defined in §3-6-102(11), including services to advise or assist a person or entity in maintaining, applying for, soliciting or entering into a contract with the state. The term "consulting services" does not mean the practice or business of law in connection with representation of clients by a licensed attorney in a contested case action, administrative procedure or rule making procedure.

(2) The term "consulting services" with respect to a municipal or county official including members-elect of a municipal or county legislative body, or the immediate family of either type of official, means services to advise or assist a person or entity in influencing legislative or administrative action as such term is defined in §3-6-102(11), including services to advise or assist such person or entity in maintaining, applying for, soliciting or entering into a contract with the municipality or county represented by such official. The term "consulting services" does not mean the practice or business of law in connection with representation of clients by a licensed attorney in a contested case action, administrative procedure or rule making procedure.

(3) The term "immediate family" has the same meaning as such term is defined in §3-6-102(10).

(4) The term "official in the executive branch" means the governor, any member of the governor's staff or any person in the executive service as such term is defined in §8-30-208(b); provided however, that such term shall not include members of boards and commissions who receive only expenses or a nominal per diem not to exceed six hundred dollars (\$600.00) per month, unless they provide consulting services for compensation with respect to the activities of the board or commission of which they are a member.

(5) The term "official in the legislative branch" has the same meaning as such term is defined in § 3-6-102(17).

Section 2-10-123.

(a) It is an offense for any member of the general assembly, member-elect of the general assembly, the governor, a member of the governor's staff, the secretary of state, the treasurer, or the comptroller of the treasury to receive a fee, commission or any other form of compensation for consulting services from any person or entity knowing that such person or entity does business with the state or is seeking to do business with the state, any subsidiary of such person or entity, or any entity that contracts with such person or entity.

(b) It is an offense for any person or other entity that does business with the state of Tennessee or is seeking to do business with the state in any capacity, any subsidiary of such person or entity, or any entity that contracts with such person or entity, to pay a fee, commission or any other form of compensation for consulting services to a person such person or entity knows to be a member of the general assembly, member-elect of the general assembly, the governor, a member of the governor's staff, the secretary of state, the treasurer, or the comptroller of the treasury.

(c) A violation of this section is a Class C misdemeanor.

2-10-124.

(a) It is an offense for any member of a municipal or county legislative body or member-elect of a municipal or county legislative body to receive a fee, commission or

any other form of compensation for consulting services from any person or entity knowing that such person or entity does business with the municipality or county or is seeking to do business with the municipality or county represented by such official, any subsidiary of such person or entity, or any entity that contracts with such person or entity.

(b) It is an offense for any person or other entity that does business with a municipality or county or is seeking to do business with a municipality or county in any capacity, any subsidiary of such person or entity, or any entity that contracts with such person or entity, to pay a fee, commission or any other form of compensation to a person such person or entity knows to be a member of a municipal or county legislative body or member-elect of a municipal or county legislative body for consulting services relating to the municipality or county represented by such official.

(c) A violation of this section is a Class C misdemeanor.

2-10-125.

(a)

(1) If any person or other entity that does business with the state of Tennessee or is seeking to do business with the state in any capacity, any subsidiary of such person or entity, or any entity that contracts with such person or entity, pays a fee, commission or any other form of compensation for consulting services to any:

(A) Staff person or employee of the general assembly;

(B) Member of a commission established by and responsible to the general assembly or either house thereof;

(C) Member or employee of a state regulatory commission, including, without limitation, directors of the Tennessee regulatory authority;

(D) Member or employee of any executive department or agency or other state body in the executive branch; or

(E) Immediate family of any member of the general assembly, member-elect of the general assembly, the governor, any member of the governor's staff, the secretary of state, the treasurer, or the comptroller of the treasury;

then such person or entity, or subsidiary or contractor of such person or entity shall disclose the following to the registry of election finance:

- (i) The person to whom the fee was paid;
- (ii) The position of the person to whom the fee was paid;
- (iii) The amount of the fee;
- (iv) The date the services were rendered; and
- (v) A description of the services rendered.

(2) If any person or other entity that does business with a municipality or county within the state of Tennessee or is seeking to do business with a municipality or county in any capacity, any subsidiary of such person or entity, or any entity that contracts with such person or entity, pays a fee, including a retainer, commission or any other form of compensation for consulting services to the immediate family of a member of a municipal or county legislative body or member-elect of a municipal or county legislative body, then such person or entity, or subsidiary or contractor of such person or entity shall disclose to the registry of election finance the same information as required pursuant to subdivision (1).

(b) The disclosure shall be on a form designed by the registry of election finance, shall be made under oath, and shall contain a statement that a false statement on the report is subject to the penalties of perjury. A disclosure form shall be filed within five (5) days of entering any contract for consulting services. Such form shall be updated quarterly. The dates for filing the quarterly reports shall be determined by the registry of election finance.

(c) All disclosures made to the registry pursuant to this section are public records and open for inspection during regular business hours.

(d)

(1) It is a Class C misdemeanor for any person or entity, or subsidiary or contractor of such person or entity, to knowingly fail to file a disclosure form as required by this section.

(2) It is a Class C misdemeanor for any person or entity, or subsidiary or contractor of such person or entity, to file a disclosure form as required by this section more than thirty (30) days after the date on which the report is due.

Section 2-10-126.

(a)

(1) Any person listed in § 2-10-125(a)(1)(A) through (E) who receives a fee, commission or any other form of compensation for consulting services from a person or entity doing business with the state or seeking to do business with the state, any subsidiary of such person or entity, or any entity that contracts with such person or entity, shall be required to make the same disclosure required by § 2-10-125. The registry of election finance may devise a new form for disclosure of consulting fees or may modify the one required by § 2-10-125 for use by all parties required to disclose.

(2) Any immediate family member of a member of a municipal or county legislative body or member-elect of a municipal or county legislative body who receives a fee, including a retainer, commission or any other form of compensation for consulting services from any person or entity doing business with the municipality or county represented by such official or seeking to do business with such municipality or county, any subsidiary of such person or entity, or any entity that contracts with such person or entity, shall be required to make the same disclosure required by § 2-10-125. The registry of election

finance may devise a new form for disclosure of consulting fees or may modify the one required by § 2-10-125 for use by all parties required to disclose.

(b) All disclosures made to the registry pursuant to this section are public records and open for inspection during regular business hours.

(c)

(1) It is a Class C misdemeanor for a person listed in § 2-10-125(a)(1)(A) through (E) to receive a fee, commission or any other form of compensation for consulting services from a person or entity doing business with the state or seeking to do business with the state, a subsidiary of such person or entity, or an entity that contracts with such person or entity, and knowingly fail to disclose such fee as required by this section.

(2) It is a Class C misdemeanor for an immediate family member of a member of a municipal or county legislative body or member-elect of a municipal or county legislative body to receive a fee, including a retainer, commission or any other form of compensation for consulting services from any person or entity doing business with the municipality or county represented by such official or seeking to do business with such municipality or county, a subsidiary of such person or entity, or an entity that contracts with such person or entity, and knowingly fail to disclose such fee as required by this section.

Section 2-10-127.

The provisions of this act do not apply to the services or actions of a person to whom this act otherwise would apply, if such person, with respect to such service or action, files a disclosure in accordance with the provisions of Tennessee Code Annotated, Title 3, Chapter 6, Part 1;

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.